

October 26, 2018

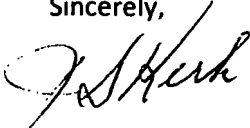
Mr. Kevin L. Woodruff
ECEB – Superfund Division
U.S. Environmental Protection Agency, Region 4
Sam Nunn Atlanta Federal Center
61 Forsyth Street, S.W.-MS 9T25
Atlanta, Georgia 30303-8909

Dear Mr. Woodruff:

Attached please find the answers you requested on behalf of J.S. Kirk the manager of Kirk Family Holdings, LLC. The property has been utilized primarily as a warehouse to store finished goods. Also, find a copy of the deed and leases that I was able to locate regarding the property. In the answers, I have provided the names of individuals that will have a better knowledge of the operations of the businesses that have been conducted on site.

If you need further assistance, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "J. S. Kirk", written over a horizontal line.

J. S. Kirk
On behalf of Kirk Family Holdings, LLC



1. J.S. Kirk on behalf of Kirk Family Holdings, LLC
2. Darrell David of Milacron, Josh Montgomery of Rock 10, Barry Black of ADP, and David Kinard of Sealed Air
3. See copies of leases and deed that were located
4. Kirk Family Holdings, LLC purchased the property and leased the property to the following entities:
 - 1) February of 1985 – Rockwell leased the building to store finished goods
 - 2) 1993-1995 – Centrum Marketing Group leased the building to manufacture leather furniture
 - 3) 2000 to 2003 Milacron – Utilized the facility for the blending of synthetic oil; waste management was under contract to haul off any waste. Was not aware of any chemicals utilized in their process. David Darrell 662.614.5946 was the person that was in charge at the time.
 - 4) 2008 to present – 3 companies Smurfy Stone, West Rock, and Rock 10 utilized part of the building to store cardboard that is sold to ADP. Contact person Josh Montgomery 662.417.7631
 - 5) January 2005 to present – ADP stores finished goods. Contact person is Barry Black 662.229.3000
 - 6) 2015 to present – Sealed Air/Novi Pax stores finished goods. Contact is David Kinard.
5. The building has concrete floors throughout the building and several loading docks; the building has utilized city water and sewer since the purchase of the building
6. Kirk Family Holdings, LLC has never operated any type of business at the building.
7. Kirk Family Holdings, LLC does not have any knowledge of the railcars being utilized in connection with the building.
8. Kirk Family Holdings, LLC is not aware of the cleaning procedures utilized by the operations of Centrum Marketing Group and Milacron. Centrum Marketing assembles leather furniture and Milacron blended synthetic oil.
9. Centrum Marketing did not utilize any chemicals that would cause spills they assemble furniture only. Any procedures utilized by Milacron can best be obtained from their contact person as set forth in paragraph 4 (3) above.
10. All waste that would have been generated would have been disposed of by Waster Management.
11. Kirk Family Holdings, LLC did not generate any waste and any waste that would have been generated would have been removed by Waste Management. The disposal contracts would have been between the Leasee and Waste Management.
12. Please see the answer in #4 above. Any and all leases that Kirk Family Holdings, LLC has in their possession have been copied and included with this letter.
13. Kirk Family Holdings, LLC is not aware of any discharge that has been made during their ownership of the building.
14. Kirk Family Holdings, LLC is not aware of the existence of any of the items identified in question 14.
15. Kirk Family Holdings, LLC did not use and is not aware of the use of TCE by any of the occupants of the building. For more detailed answers please refer to the individuals that are listed in question #4 above.

This Instrument Prepared By:
Federal Deposit Insurance Corporation
P.O. Box 15154
Knoxville, Tennessee 37901

FILED FOR RECORDING 3:54 P.M. 15 DAY OF
FEBRUARY, 1985 AND RECORDED 15 DAY
OF FEBRUARY 1985.
POWELL VANCE CHANCERY CLERK

BOOK 222 PAGE 76

QUITCLAIM DEED

THIS QUITCLAIM DEED, made this the 1st day of February, 1985, by the Federal Deposit Insurance Corporation, in its Corporate Capacity as Liquidator of United American Bank of Knoxville, owner of the hereinafter described real property by virtue of an order of the Knox County, Tennessee, Chancery Court in Case No. 78263 of said Court, Grantor, and J.S. KIRK and JOHN ED CARPENTER Grantee.

WITNESSETH: That Grantor for and in consideration of the sum of TEN and NO/100 DOLLARS (\$10.00) and other good and valuable consideration, in hand paid at and before the delivery of these presents, the adequacy and receipt whereof is hereby acknowledged, have bargained, sold, remised, released and QUITCLAIMED and hereby bargains, sells, remises, releases and QUITCLAIMS, to the Grantee, his heirs, and assigns forever all the right, title and interest of the said Grantor either in law or in equity of the property, same being situated in Grenada County, Mississippi, and same being bounded and described thus:

TRACT ONE: Begin at an iron stake 409.6 feet south of the northeast corner of the Northwest Quarter of Section 5, Township 22 North, Range 5 East, which point is on the west right-of-way of a public paved road; from said point of beginning run thence south along the west right-of-way of said paved road 464 feet to a point on the west right-of-way of said public paved road; thence west a distance of 282 feet to the east boundary of the I.C.R.R.; thence north a distance of 464 feet to a point also on the east boundary of the I.C.R.R.; thence east 282 feet to the point of beginning, enclosing 3.003 acres, more or less, in the Northwest Quarter of Section 5, Township 22 North, Range 5 East, Grenada County, Mississippi.

TRACT TWO: Begin at an iron stake 873.6 feet south of the northeast corner of the Northwest Quarter of Section 5, Township 22 North, Range 5 East, which point is in the west right-of-way of a public paved road; from said point of beginning run thence south along the west side of said road, 646 feet to a point on the west right-of-way of said public paved road, which point is the northeast corner of the property owned by Tennessee River Pulp and Paper Company; thence west a distance of 282 feet to a point on the east right-of-way of the Illinois Central Railroad; thence north a distance of 646 feet to a point on the said east right-of-way of the Illinois Central Railroad; thence east a distance of 282 feet to the point of beginning, enclosing 4.19 acres, more or less, in the Northwest Quarter of Section 5, Township 22 North, Range 5 East, Grenada County, Mississippi.

Being the
Insurance
Tennessee
and of re
Clerk of

WHENEVER

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be affixed here

LEASE AGREEMENT

MADE AS OF THIS 5th day of February 1985, by and between
IS DYNAMITE KIRK & JOHN ED CARPENTER, individuals, c/o Kirk Auto
Company, Highway 8 West, Grenada, Mississippi 38901 ("Landlord"),
and ROCKWELL INTERNATIONAL CORPORATION, a Delaware corporation,
having its principal place of business at 600 Grant Street,
Pittsburgh, Pennsylvania 15219 ("Tenant").

DEMISED PREMISES AND TERM

Landlord, in consideration of the covenants, conditions,
agreements, stipulations of the Tenant hereinafter expressed,
does hereby demise and lease, and the Tenant does take and lease
from Landlord a ^{30,000}~~52,000~~ square foot building, more particularly
known as the "Grenada Steel Facility, Bldg. #1" (herein called
the "Leased Premises").

TO HAVE AND TO HOLD the above-described Leased Premises,
together with the improvements situated therein and the rights,
privileges and appurtenances thereunto belonging or appertaining
unto the Tenant for and during a term of THREE MONTHS, commencing
on February 1, 1985 through April 30, 1985, and from month to
month thereafter until terminated by either party hereto by
giving sixty (60) days written notice to the other of such
termination.

USE

Tenant covenants to occupy and use the demised premises during the term of this Lease for warehousing of wheel covers, components, corrugated boxing materials and any other lawful purpose, and in such manner as shall not violate the zoning ordinances and other regulations of the Federal, State, County, and Municipal authorities, now in force or hereafter adopted, which in any manner affect the use of the Leased Premises or any appurtenances thereto.

ACCESS

Tenant shall have all necessary access to and from the Leased Premises and shall have the benefit of all appurtenances, including restrooms, easements, etc. Landlord shall have all necessary access to and from the Leased Premises at all reasonable times during the term hereof and during normal business hours of the Tenant (except in emergency) without interference to the operations of the Tenant, to enter the Leased Premises and examine the condition thereof. Landlord and its agent shall have access to the Leased Premises at all times during normal business hours to show the Leased Premises to prospective tenants.

COMPLIANCE WITH GOVERNMENTAL REQUIREMENTS

Tenant agrees that Tenant has received and will keep, at Tenant's expense, the Leased Premises and all appurtenances thereto, in good, safe, tenantable and sanitary condition; that

Tenant will promptly comply with and carry out all laws, ordinances, rules, regulations and requirements (including zoning of the Federal, State, Municipal and County governments), relating to the use of the Leased Premises and/or the business conducted therein.

RENTAL

Landlord hereby reserves and the Tenant hereby agrees to pay rental to the Landlord upon commencement hereof, a monthly rent for the Leased Premises of \$6,000.00 for February 1985, \$5,500.00 for March and April 1985, and \$5,000.00 for each and every month thereafter, in lawful currency of the United States, said payments to be made in monthly installments, between the first and the fifth days of each month during the lease term.

RENTAL PAYMENTS

All rental payments provided herein shall be made to Landlord at its office at the address set forth on the face of the lease, Attn: Dynamite Kirk.

OWNERSHIP, POSSESSION AND WARRANTY

The Landlord covenants that it is lawfully seized of the Leased Premises and of the parking area, driveways and footways and has good right and lawful authority to enter into this lease for the full term aforesaid, that Landlord will put the Tenant in actual possession of the Leased Premises at the beginning of the term aforesaid or earlier as agreed by both parties, and that Tenant, on paying the said rent and performing the covenants

herein agreed by it to be performed, shall and may peaceably and quietly have, hold, and enjoy the Leased Premises and use the appurtenances thereto as hereinabove referred to for the said term.

FIXTURES AND PERSONAL PROPERTY

Any trade fixtures, equipment and other personal or non-affixed alterations to the Leased Premises made by Tenant will remain the property of Tenant and shall be removed at the expiration of the lease term by Tenant with any damage caused by such removal repaired by Tenant. Any other alterations or modifications, whether or not made by or paid for by Tenant shall remain with and be surrendered with the Leased Premises at the expiration of the lease.

MAINTENANCE

Landlord covenants that it will, at its own expense, keep and maintain in good order and repair the structural and non-structural portions of the Leased Premises and the improvements located therein, including, without limitation, the roof, walls, foundation, all wiring, plumbing, electrical and heating systems located inside the Leased Premises and any air conditioning apparatus located inside the Leased Premises, plate glass replacement and repair of all doorways in or entering the Leased Premises. Tenant shall not be required to replace any of such systems or apparatus or make repairs thereto unless same are required by reason of damage thereto caused by Tenant. Tenant

shall not deface or injure said Leased Premises or any part thereof and it will return said Leased Premises peaceably and promptly to the Landlord at the end of the term of this lease, or any other termination thereof, in good condition, loss by fire or other hazard and by ordinary wear and tear excepted.

INSURANCE

Tenant, at its cost, shall maintain General Comprehensive Liability insurance with liability limits of not less than \$100,000 per person and \$1,000,000 per occurrence, and property damage of \$25,000, insuring against all liability of Tenant and its authorized representatives arising out of and in connection with Tenant's use or occupancy of the Leased Premises.

DEFAULT

If the Tenant shall default in any covenant or agreement to be performed by it and if after written notice from Landlord to Tenant such default shall continue for a period of ten (10) days, or if the leasehold interest of the Tenant shall be taken on execution or other process of law, or if the Tenant shall petition to be or be declared bankrupt or insolvent according to law, or make any conveyance or general assignment for the benefit of creditors, or if a receiver be appointed for such Tenant's property and such appointment be not vacated and set aside within thirty (30) days from the date of such appointment, or if proceedings for reorganization or for composition with creditors be instituted by or against such Tenant, then, and in every of

said cases, the Landlord may immediately or at any time hereafter and without further notice or demand terminate this lease. If Landlord's leasehold rights are in any way terminated or relinquished during the term hereof, this lease shall automatically terminate as of the date of such happening.

UTILITIES

Landlord shall make available to Tenant all utilities in good working order, and Tenant shall pay for all electricity, plumbing, gas, heating and air-conditioning (during normal heating and air-conditioning seasons) for Tenant's use of the Leased Premises. Tenant shall provide its own rubbish removal service.

ASSIGNMENT AND SUBLETTING

The Tenant may not assign this lease or sublet the whole or any part of the Leased Premises except to any parent, subsidiary or affiliate without consent.

SIGNS

The Tenant shall have the right to erect reasonable and normal signs relating to its business activities provided that consent to the erection of any such signs shall first be obtained from Landlord, or the lessor in the underlying lease, which consent shall not be unreasonably withheld. Tenant shall repair any damage caused by the removal of its signs which must be removed at termination of the lease.

DESTRUCTION BY FIRE

The parties hereto mutually agree that if the Leased Premises be damaged or destroyed during the term hereof, then this lease shall terminate as of date of happening.

NOTICES

Whenever in this lease it shall be required or permitted that notice or demand be given or served by either party to this lease to the other, such notice or demand shall be given or served and shall not be deemed to have been given or served unless in writing and forwarded by certified mail, return receipt requested, postage prepaid, addressed to Landlord as provided in the RENTAL section herein and Tenant at the address shown on the face of this Lease.

Such addresses may be changed from time to time by either party by serving written notice as above provided.

BINDING EFFECT: LAW

Subject to any provisions hereof restricting assignment or subletting by Tenant, this lease shall bind the parties, their personal representatives, successors and assigns. This lease shall be governed by the laws of the State of Tennessee.

AGREEMENT BETWEEN SUBLESSOR AND SUBLESSEE

It is expressly understood and agreed by and between the parties hereto that this lease sets forth all the promises, agreements, conditions and understandings between Landlord and

Tenant relative to the Leased Premises, and that there are not promises, agreements, conditions or understandings, either oral or written, between them other than are herein set forth. It is further understood and agreed that, except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them.

IN TESTIMONY WHEREOF, the Landlord and Tenant have caused these presents to be executed and delivered as of the day and year first above written.

WITNESS:

Carol J. Wankli

LANDLORD:

By: John Ed Carpenter
By: J. Stark

WITNESS:

Betty L. Gabriel

ROCKWELL INTERNATIONAL CORPORATION

By: E. A. Loeser
Senior Vice President-Operations

FIRST AMENDMENT TO LEASE

This First Amendment to Lease (the "First Amendment") is entered into as of July 10th, 2006 by and between J S Kirk and Paul Carpenter (collectively, "Landlord") and Advanced Distributor Products LLC ("Tenant").

WHEREAS, Landlord and Tenant entered into a Lease Agreement dated January 21, 2005 (the "Lease") under which Landlord leased to Tenant and Tenant leased from Landlord certain real property and improvements located at 360 Moose Lodge Road, Grenada, Mississippi, as further described in the Lease (the "Leased Premises"); and

WHEREAS, Landlord and Tenant desire to amend the Lease in order to extend the Term thereof.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Under the terms of the Lease, the Term of the Lease expired on January 31, 2006. Following the expiration of the Term and through the date of this First Amendment, Tenant has been leasing the Leased Premises from Landlord, and Landlord has been leasing the Leased Premises to Tenant on a month-to-month basis under the terms and conditions set forth in the Lease. The parties hereby agree to formally extend the Term of the Lease through June 30, 2009.

2. Landlord's address to receive notices under Section 19 of the Lease is as follows: J S Kirk, P.O. Box 670, Grenada, MS 38902.

3. Capitalized terms not defined in this First Amendment shall have the meaning given in the Lease.

4. Except as set forth herein, all other terms and conditions set forth in the Lease shall remain unchanged and in full force and effect, including, but not limited to the Rent amount set forth in Section 3.1 of the Lease and Tenant's right to terminate the Lease set forth in Section 2.3 of the Lease.

IN WITNESS WHEREOF, the undersigned have executed this First Amendment as of the day and year first written above.

LANDLORD:


J S Kirk


Paul Carpenter

TENANT:

Advanced Distributor Products LLC

By: 
Name: GREG GOETZINGER

Title: DIRECTOR OF OPERATIONS
ADPLLC\Leases\MooseLodgeFirstAmendment

SECOND AMENDMENT TO LEASE

WHEREAS, J. S. Kirk and Paul Carpenter (collectively, "Landlord") and Advanced Distributor Products LLC ("Tenant") entered into a Lease Agreement dated January 21, 2005 (the "Lease") under which Landlord leased to Tenant and Tenant leased from Landlord certain real property and improvements located at 360 Moose Lodge Road, Grenada, Mississippi, as further described in the Lease (the "Leased Premises");

WHEREAS, the First Amendment to Lease (the "First Amendment") was entered into as of July 10th, 2006 by and between Landlord and Tenant, whereby the Term of the Lease was extended to expire on June 30, 2009; and

WHEREAS, Landlord and Tenant desire to amend the Lease in order to extend the Term thereof.


NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant hereby agree to extend the Term of Lease for ~~twelve~~ (36) months through June 30, 2012 on the same rent and terms as payable under the Lease.

Capitalized terms not defined in this Second Amendment shall have the meaning given in the Lease.

Except as set forth herein, all other terms and conditions set forth in the Lease shall remain unchanged and in full force and effect, including, but not limited to the Rent amount set forth in Section 3.1 of the Lease and Tenant's right to terminate the Lease set forth in Section 2.3 of the Lease.

IN WITNESS WHEREOF, the undersigned have executed this Second Amendment as of June __, 2009.

LANDLORD:



J S Kirk

Paul Carpenter

TENANT:

Advanced Distributor Products LLC

By: 

Name: _____

Title: 

THIRD AMENDMENT TO LEASE

WHEREAS, J. S. Kirk and Paul Carpenter (collectively, "Landlord") and Advanced Distributor Products LLC ("Tenant") entered into a Lease Agreement dated January 21, 2005 (the "Lease") under which Landlord leased to Tenant and Tenant leased from Landlord certain real property and improvements located at 360 Moose Lodge Road, Grenada, Mississippi, as further described in the Lease (the "Leased Premises");

WHEREAS, the First Amendment to Lease (the "First Amendment") was entered into as of July 10th, 2006 by and between Landlord and Tenant, whereby the Term of the Lease was extended to expire on June 30, 2009; and

WHEREAS, the Second Amendment to Lease (the "Second Amendment") was entered into as of June 10th, 2009 by and between Landlord and Tenant, whereby the Term of the Lease was extended to expire on June 30, 2012; and

WHEREAS, Landlord and Tenant desire to amend the Lease in order to alter the Rent thereof.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant hereby agree

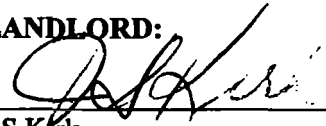
1. Effective October 1, 2008 through the Term of the Lease that the Rent for the Leased Premises will be Sixty Thousand Dollars (\$60,000) per year, payable in equal monthly installments of Five Thousand Dollars (\$5,000).
2. At any time, Landlord may return the monthly Rent amount up to the original Rent amount set forth in the Lease with at least thirty (30) days written notice to Tenant before the next monthly installment is due.

Capitalized terms not defined in this Third Amendment shall have the meaning given in the Lease.

Except as set forth herein, all other terms and conditions set forth in the Lease shall remain unchanged and in full force and effect, including, but not limited to Tenant's right to terminate the Lease set forth in Section 2.3 of the Lease.

IN WITNESS WHEREOF, the undersigned have executed this Third Amendment as of November __, 2009.

LANDLORD:


J S Kirk


Paul Carpenter

TENANT:

Advanced Distributor Products LLC

By: 

Name: GREG GOETZINGER

Title: DIRECTOR OF OPERATIONS

"Kirk" Moose Lodge
Red

FOURTH AMENDMENT TO LEASE

THIS FOURTH AMENDMENT TO LEASE (this "Fourth Amendment") is entered into as of May 21, 2012 by and between J. S. Kirk and Paul Carpenter (collectively, "Landlord") and Advanced Distributor Products LLC ("Tenant").

WHEREAS, Landlord and Tenant entered into a Lease Agreement dated January 21, 2005 (the "Original Lease") under which Landlord leased to Tenant and Tenant leased from Landlord certain real property and improvements located at 360 Moose Lodge Road, Grenada, Mississippi, as further described in the Lease; and

WHEREAS, the Original Lease was amended by that First Amendment to Lease, dated as of July 10, 2006, by that Second Amendment to Lease, dated as of June 10, 2009, and by that Third Amendment to Lease, dated as of November, 2009 (the Original Lease, as so amended, herein the "Lease"); and

WHEREAS, Landlord and Tenant desire to amend the Lease in order to extend the Term thereof.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Landlord and Tenant hereby agree to extend the Term of the Lease for forty-two (42) months through December 31, 2015, with Rent being payable in monthly installments of Five Thousand Dollars (\$5,000).

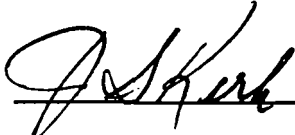
2. Capitalized terms not defined in this Fourth Amendment shall have the meaning given in the Lease.

3. Except as set forth herein, all other terms and conditions set forth in the Lease shall remain unchanged and in full force and effect, including, but not limited to Tenant's right to terminate the Lease set forth in Section 2.3 of the Lease.


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IN WITNESS WHEREOF, the undersigned have executed this Fourth Amendment as of May 21, 2012.

LANDLORD:

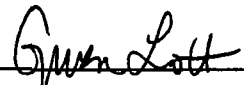


J.S. Kirk

Paul Carpenter


TENANT:

Advanced Distributor Products LLC

By: _____

Name: Gwen Lott

Title: DIVISION CONTROLLER

FIFTH AMENDMENT TO LEASE

THIS FIFTH AMENDMENT TO LEASE (this "Fifth Amendment") is entered into as of ~~1st~~ April 5 2015 by and between J. S. Kirk (collectively, "Landlord") and Advanced Distributor Products LLC ("Tenant").

WHEREAS, Landlord and Tenant entered into a Lease Agreement dated January 21, 2005 (the "Original Lease") under which Landlord leased to Tenant and Tenant leased from Landlord certain real property and improvements located at 360 Moose Lodge Road, Grenada, Mississippi, as further described in the Lease; and

WHEREAS, the Original Lease was amended by that First Amendment to Lease, dated as of July 10, 2006, by that Second Amendment to Lease, dated as of June 10, 2009, by that Third Amendment to Lease, dated as of November, 2009, and by that Fourth Amendment to Lease, dated as May 21, 2012 (the Original Lease, as so amended, herein the "Lease"); and

WHEREAS, Landlord and Tenant desire to amend the Lease in order to extend the Term thereof.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Landlord and Tenant hereby agree to extend the Term of the Lease for sixty (60) months through December 31, 2020, with Rent being payable in monthly installments of Five Thousand Dollars (\$5,000).

2. Capitalized terms not defined in this Fifth Amendment shall have the meaning given in the Lease.

3. Except as set forth herein, all other terms and conditions set forth in the Lease shall remain unchanged and in full force and effect, including, but not limited to Tenant's right to terminate the Lease set forth in Section 2.3 of the Lease.

[Remainder of page intentionally left blank. Signatures follow]

IN WITNESS WHEREOF, the undersigned have executed this Fifth
Amendment as of April 5, 2015.

may

LANDLORD:


J.S. Kirk

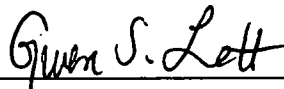
TENANT:

Advanced Distributor Products LLC

By: 

Name: GREG GOETZINGER

Title: DIRECTOR RESEARCH + PROD DEV

By: 

Name: GWEN S. LOTT

Title: Division Controller

LEASE AGREEMENT

THIS LEASE is made as of January 21, 2005, between J S Kirk and Paul Carpenter ("collectively, Landlord"), and Advanced Distributor Products LLC, a Delaware limited liability company ("Tenant").

Section 1. Property; Leased Premises; Common Areas.

1.1 Description. Landlord leases to Tenant, and Tenant leases from Landlord, on the terms and conditions set forth in this Lease, approximately seventy thousand (70,000) square feet of office and warehouse space located at 360 Moose Lodge Road, Grenada, Mississippi and as further shown by the cross-hatching on Exhibit A, attached hereto (the "Leased Premises"). The building of which the Leased Premises are a part is detailed on Exhibit A (the "Building"), and the parcel of land upon which the Building is located (the "Land"), and all other improvements located on the Land, including, but not limited to, the Common Areas described below, are hereafter collectively called the "Property." The term "Property" when used in this Lease specifically includes the Leased Premises. Landlord also grants Tenant all rights and easements appurtenant to the Leased Premises. As used in this Lease, the term "Common Areas" shall mean all areas within the Property which are available for the common use of Tenant and other tenants of the Property and which are not leased or held for the exclusive benefit of Tenant or other tenants, including, but not limited to parking areas, driveways, sidewalks, loading areas, access roads, corridors, landscaped areas and planted areas. Tenant shall have the exclusive right to use the eight (8) dock doors and surrounding loading area that are applicable to the Leased Premises ("Dock Area").

1.2 Delivery. Landlord shall deliver the Leased Premises to Tenant clean and free of debris and in compliance with all covenants and restrictions and all Applicable Laws. Where used herein, "Applicable Laws" means statutes, laws, codes, regulations, ordinances and orders of governmental or other public authorities having jurisdiction and all amendments thereto, at any time and from time to time in force. Landlord represents and warrants that the Leased Premises are not subject to any investigations for alleged violations of any Applicable Laws. Landlord further represents and warrants that as of the Commencement Date (as hereafter defined) and for thirty (30) days following the Commencement Date, all elements of the Leased Premises including, but not limited to, all mechanical, electrical and plumbing systems and facilities shall be in good operating condition. If the Leased Premises do not comply with such warranties, Landlord shall be responsible, at its expense, for all repairs necessary to rectify such noncompliance.

Section 2. Term.

2.1 Primary Term. The term of this Lease shall be for approximately one (1) year commencing on January 21, 2005 (the "Commencement Date") and ending at 11:59 p.m. on January 31, 2006, subject to extension or termination as hereinafter provided (the "Primary Term").

2.2 Renewal Option. Tenant shall have the option to renew this Lease (the "Renewal Option") for one (1) renewal term of one (1) year (the "Renewal Term"), upon the same terms and conditions that apply during the Primary Term. Tenant shall exercise the Renewal Option, if at all, by giving Landlord written notice at least sixty (60) days before the expiration of the Primary Term. The word "Term," as used in this Lease, shall be deemed to include, where appropriate, the Primary Term and the Renewal Term.

2.3 Termination Right. Tenant may terminate this Lease at any time during the Term by providing sixty (60) days advance written notice to the Landlord.

Section 3. Rent.

3.1 Rent During Term. During the Term, Tenant shall pay Landlord as Rent for the Leased Premises the sum of Ninety Thousand Dollars (\$90,000.00) per year, payable in equal monthly installments of Seventy-Five Hundred Dollars (\$7,500.00).

3.2 Payment. Rent shall be paid in advance on the first day of each month during the Term of this Lease to Landlord at its notice address set forth in Section 19 or at such other place as Landlord may designate by written notice to Tenant. Payments of Rent for any fractional month during the Term shall be prorated.

3.4 Other Payment Obligations. Landlord acknowledges and agrees that Tenant shall only be responsible for payment of the Rent described in this Article 3 and other payment obligations specifically allocated to Tenant under this Lease, and Landlord shall be responsible for payment of all other expenses related to the Property without reimbursement from Tenant. Except as set forth in this Lease, Tenant shall not be responsible, either directly or through reimbursement of Landlord, for any charges or expenses in connection with the Property or this Lease, including but not limited to, reimbursing Landlord for Real Estate Taxes (as defined in Section 4), Property Insurance (as defined in Section 8.2) or expenses incurred by Landlord in maintaining, repairing or replacing the Common Areas or Dock Area or for utilities furnished to or consumed in the Common Areas or Dock Area, all of which shall be Landlord's responsibility at Landlord's sole expense.

Section 4. Real Estate Taxes. Landlord shall pay all Real Estate Taxes levied against the Property that become due and payable during the Term. Where used herein, "Real Estate Taxes" means all taxes, rates, levies, fees, charges (including local improvement charges) and assessments whatsoever, imposed, assessed, levied, rated or charged against the Property from time to time by any lawful taxing authority whether school, municipal, regional, state, federal or otherwise.

Section 5. Utilities. During the Term, Tenant shall obtain and pay for all sewer, water, electric, heat, trash removal and other utility services furnished to or consumed on the Leased Premises by making payment directly to the utility providers. However, if the utilities for the Leased Premises are not separately metered from the utilities for the rest of the Building, Tenant shall pay Tenant's Proportionate Share of the utility bills for the Building to Landlord, and Landlord will be responsible for remitting payment to the utility providers. "Tenant's

Proportionate Share” shall be determined by dividing the total usable square footage area of the Leased Premises by the total usable square footage of the Building.

Section 6. Use of the Leased Premises. The Leased Premises may be used, occupied or sublet by Tenant for storage and uses incidental thereto, and for any other uses permitted by applicable zoning regulations.

Section 7. Compliance with Laws. Tenant shall procure at its own expense any permits and licenses required for the transaction of business in the Leased Premises and shall otherwise comply with all Applicable Laws applicable to its use of the Leased Premises. Under no circumstances, however, shall Tenant have responsibility for or be required to bear the expense of a change to the physical condition of the Leased Premises or other compliance expenses required under any Applicable Laws to the extent such responsibility or requirement (i) existed on the Commencement Date, (ii) is applicable as a result of work performed by or for Landlord in or to the Leased Premises, or (iii) applies to similar premises in general and not particularly to Tenant's business at the Leased Premises, all of which shall be Landlord's responsibility at its sole expense.

Section 8. Insurance.

8.1 Liability Insurance. During the Term, Tenant, at its sole expense, shall maintain in full force a policy or policies of commercial general liability insurance issued by one or more insurance carriers licensed to do business in the state in which the Leased Premises are located, insuring against liability for injury to or death of persons and loss of or damage to property occurring in and on the Leased Premises. Said liability insurance shall be in an amount of not less than one million dollars (\$1,000,000.00) for bodily injury and property damage per occurrence with a general aggregate limit of not less than two million dollars (\$2,000,000.00). Tenant may comply with the limits of coverage required by this Lease by combining primary and excess or umbrella liability coverages. Landlord shall be named as an additional insured under said commercial general liability policy or policies. During the Term, Landlord shall maintain in full force a policy or policies of commercial general liability insurance issued by one or more insurance carriers licensed to do business in the state in which the Property is located, insuring against liability for injury to or death of persons and loss of or damage to property occurring in and on the Common Areas. Said liability insurance shall be in an amount of not less than one million dollars (\$1,000,000.00) for bodily injury and property damage per occurrence with a general aggregate limit of not less than two million dollars (\$2,000,000.00). Landlord may comply with the limits of coverage required by this Lease by combining primary and excess or umbrella liability coverages.

8.2 Landlord's All Risks Insurance. Throughout the Term, Landlord, at its sole expense, shall maintain in full force the following:

- (a) an all risks (causes of loss special form) property insurance policy issued by one or more insurance carriers licensed to do business in the state in which the Leased Premises are located covering the Building to the extent of its full replacement value (“Property Insurance”). To the extent that the insurance provided by

Landlord under this Section 8.2 has a deductible, then upon the occurrence of an insurable peril, Landlord shall be solely responsible for any such deductible; and

- (b) broad form boiler and machinery insurance with limits for each accident in an amount not less than the full replacement cost of all leasehold improvements and of all boilers, pressure vessels, heating, ventilating and air conditioning equipment and miscellaneous electrical apparatus owned by Landlord or operated by Tenant or by others on behalf of Tenant in the Building or relating to or serving the Building.

8.3 Proof of Insurance. Upon the written request of the other party, Landlord and Tenant shall furnish such party with evidence that all policies to be acquired and maintained by it hereunder have been acquired. Such evidence may be in the form of certificates of insurance. Notwithstanding the requirements set forth in Section 19, the evidence of insurance coverage may be sent to the requesting party at its notice address specified in Section 19, by United States mail, postage prepaid, but without requiring a return receipt.

8.4 Mutual Release and Waiver of Subrogation. NOTWITHSTANDING ANYTHING IN THIS LEASE TO THE CONTRARY, LANDLORD AND TENANT HEREBY WAIVE AND RELEASE EACH OTHER OF AND FROM ANY AND ALL RIGHTS OF RECOVERY, CLAIMS, ACTIONS OR CAUSES OF ACTION AGAINST EACH OTHER, OR THEIR RESPECTIVE OFFICERS AND EMPLOYEES, FOR ANY LOSS OR DAMAGE THAT MAY OCCUR TO THE LEASED PREMISES OR SUCH PARTY'S PERSONAL PROPERTY WITHIN THE LEASED PREMISES THAT ARE COVERED BY THE RELEASING PARTY'S PROPERTY INSURANCE OR THAT WOULD HAVE BEEN COVERED BY THE REQUIRED INSURANCE IF THE PARTY FAILS TO MAINTAIN THE PROPERTY COVERAGES REQUIRED BY THIS LEASE. THE PARTY INCURRING THE LOSS OR DAMAGE WILL BE RESPONSIBLE FOR ANY DEDUCTIBLE OR SELF-INSURED RETENTION UNDER ITS PROPERTY INSURANCE. **THE RELEASE IN THIS SECTION 8.4 WILL APPLY EVEN IF THE LOSS OR DAMAGE IS CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OR STRICT LIABILITY OF THE RELEASED PARTY, BUT THIS RELEASE WILL NOT APPLY TO THE EXTENT THE DAMAGE OR LOSS IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE RELEASED PARTY.** EACH PARTY TO THIS LEASE AGREES IMMEDIATELY AFTER EXECUTION OF THIS LEASE TO GIVE WRITTEN NOTICE OF THE TERMS OF THE MUTUAL RELEASE CONTAINED IN THIS SECTION 8.4 TO EACH INSURANCE COMPANY THAT HAS ISSUED TO SUCH PARTY POLICIES OF PROPERTY INSURANCE. EACH POLICY OF PROPERTY INSURANCE MAINTAINED BY THE PARTIES HEREUNDER SHALL CONTAIN A WAIVER OF ANY RIGHTS OF SUBROGATION WHICH THE INSURER MAY HAVE AGAINST THE OTHER PARTY AND THOSE FOR WHOM THE OTHER PARTY IS IN LAW RESPONSIBLE.

8.5. Blanket Coverage. Landlord and/or Tenant may comply with its insurance obligations hereunder through the use of any blanket policy of insurance carried by such party.

Section 9. Indemnification; Waiver of Certain Damages.

9.1 Tenant's Indemnity. To the extent not caused by the negligence or intentional misconduct of, or a default hereunder by Landlord or its employees, and subject to the releases and waiver of subrogation provisions in Section 8.4 hereof, Tenant shall indemnify and hold Landlord and its officers and employees harmless from and against all claims, demands, losses, actions, damages, liabilities, costs and expenses (including reasonable attorneys' fees and court costs) in connection with loss of life, bodily injury, personal injury or damage to property occurring within the Leased Premises, which arises out of or results from the negligent or intentional acts or omissions of Tenant or its employees.

9.2 Landlord's Indemnity. To the extent not caused by the negligence or intentional misconduct of, or a default hereunder by Tenant or its employees, and subject to the releases and waiver of subrogation provisions in Section 8.4 hereof, Landlord shall indemnify, defend and hold Tenant and its affiliated companies and their respective officers and employees harmless from and against all claims, demands, losses, actions, damages, liabilities, costs and expenses (including reasonable attorneys' fees and court costs) in connection with loss of life, bodily injury, personal injury or damage to property occurring on the Property which arises out of or results from the negligent or intentional acts or omissions of Landlord or its employees.

9.3 Waiver of Certain Damages. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS LEASE, LANDLORD AND TENANT RELEASE EACH OTHER FROM ALL CLAIMS FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT OR PUNITIVE DAMAGES EVEN IF SUCH DAMAGES ARE CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE OR STRICT LIABILITY OF THE RELEASED PARTY.

Section 10. Maintenance.

10.1 Tenant's Maintenance. Except for damage from casualty and maintenance obligations that are Landlord's responsibility under this Lease, Tenant at its expense shall (i) maintain the interior of the Leased Premises in good condition, except for reasonable wear and tear, and (ii) provide all necessary repair and replacement of, the water, gas, electrical, plumbing, heating, ventilating, air conditioning, and all other mechanical and utility systems and facilities exclusively serving the Leased Premises. Notwithstanding the foregoing requirements, Tenant shall have no responsibility for any repairs, or replacements that would normally be capitalized under generally accepted accounting principles or for any repairs or replacements that require access within the structure of the Building or below the surface of the Land unless such repairs or replacements are necessitated by Tenant's negligent acts. Tenant's obligations under this Section shall not be deemed to relieve Landlord to the extent Landlord is responsible under the last sentence of Section 10.2. Tenant shall also be responsible for any damage to the Leased Premises caused by the negligence or intentional misconduct of Tenant or its employees.

10.2 Landlord's Maintenance. Landlord at its expense shall (i) maintain in good condition and repair and replace as necessary all structural portions of the Leased Premises, including, but not limited to, the roof (including roof membrane and covering), weight bearing walls and columns, footings, foundations, slabs and structural floors of the Building, (ii) provide

exterior painting of the Leased Premises as necessary, (iii) maintain in good condition and repair and replace as necessary, all Common Areas and Dock Area, (iv) provide for landscaping, snow removal and trash removal for the Common Areas and Dock Area, (v) provide all necessary repair and replacement of, the water, gas, electrical, plumbing, heating, ventilating, air conditioning, and all other mechanical and utility systems and facilities serving the Leased Premises that do not exclusively serve the Leased Premises, (vi) provide all repairs or replacements to the Leased Premises that would normally be capitalized under generally accepted accounting principles, and (vii) provide all repairs or replacements to the Leased Premises that require access within the structure of the Building or below the surface of the Land. Landlord's obligations under this Section shall not be deemed to relieve Tenant to the extent Tenant is responsible under the last sentence of Section 10.1. Landlord shall also be responsible for any damage to the Leased Premises caused by the negligence or intentional misconduct of Landlord or its employees.

Section 11. Landlord's Work; Alterations.

11.1 Landlord's Work. Landlord, at its sole cost and expense, shall complete the improvements to the Leased Premises in accordance with the plans and specifications attached hereto as Exhibit B ("Landlord's Work"). Landlord shall use its best efforts to minimize interference with Tenant's business at the Leased Premises during completion of Landlord's Work. Landlord shall perform Landlord's Work, in a good and workmanlike manner and in compliance with all Applicable Laws and complete same by no later than March 1, 2005. Landlord shall assign to Tenant all warranties issued by contractors, subcontractors and/or suppliers in connection with Landlord's Work, except to the extent same cover portions of the Leased Premises that Landlord is required to maintain pursuant to this Lease.

11.2 Alterations by Tenant. Tenant shall make no modifications, alterations or improvements to the Leased Premises which are structural in nature without Landlord's prior written approval, which approval shall not be unreasonably withheld or delayed and shall be deemed given following the expiration of ten (10) days after Landlord's receipt of a request therefor from Tenant unless sooner disapproved in writing by Landlord. Any such disapproval by Landlord shall contain a detailed explanation of its disapproval thereof with a list of changes, which, if made, would cause Landlord to grant its consent. Any approved modifications, alterations or improvements shall be made in a good and workmanlike manner. Except as otherwise set forth herein, all modifications, alterations and improvements to the Leased Premises shall become and remain the property of Landlord. Tenant may, without Landlord's consent, make nonstructural modifications, alterations and improvements to the Leased Premises, and install temporary partitions, shelves, bins, equipment, trade fixtures and other personal property in the Leased Premises. Those items shall remain Tenant's property and may be removed by Tenant, at its option, prior to the expiration or earlier termination of this Lease. Tenant shall repair any damage to the Leased Premises caused by such removal.

Section 12. Damage and Destruction.

12.1 Minor Damage. If the Leased Premises are damaged by fire or by other casualty

but are not rendered untenable for Tenant's normal operation in whole or in part, Landlord, promptly at its own expense, shall cause such damage to be repaired, and the Rent shall not be abated. All necessary repairs shall be completed without unreasonable delay, but in no event later than forty-five (45) days after the event of damage or destruction.

12.2 Partial Untenability. Subject to Section 12.4, if by reason of fire or other casualty, the Leased Premises are rendered untenable for Tenant's normal operation only in part, Landlord, promptly at its own expense, shall cause the damage to be repaired; meanwhile the Rent shall abate in proportion to the ratio (expressed in terms of percentage) which the number of square feet contained in the area rendered untenable bears to the number of square feet contained in the Leased Premises. If more than twenty-five percent (25%) of the Leased Premises is untenable, Tenant shall have the right to suspend operations until the Leased Premises are repaired and restored, and, if suspended, all Rent shall abate completely until the repairs are completed, and Landlord shall refund to Tenant any Rent that was prepaid by Tenant for any period during which Rent is abated. All necessary repairs shall be completed within one hundred fifty (150) days after the event of damage or destruction; provided, however, that if such repairs cannot be completed within one hundred fifty (150) days, Landlord, during such one hundred fifty (150) day period shall use due diligence and its best efforts to proceed without interruption to the completion of such repairs. Should Landlord fail to fulfill the foregoing requirements, Tenant shall be entitled to terminate this Lease, such termination to be effective as of the date of such damage.

12.3 Total Untenability. Subject to Section 12.4, if the Leased Premises are rendered wholly untenable for Tenant's normal operation by reason of fire or other casualty, Landlord, promptly at its own expense, shall cause such damage to be repaired, and the Rent shall abate in whole, effective as of the date of the casualty, until thirty (30) days after the date all repair and restoration work is completed or until Tenant reopens for business, whichever is earlier. Landlord shall refund to Tenant any Rent that was prepaid by Tenant for any period during which Rent is abated. All necessary repairs shall be completed within one hundred eighty (180) days after the event of damage or destruction; provided, however, that if such repairs cannot be completed within one hundred eighty (180) days, Landlord during such one hundred eighty (180) day period shall use due diligence and its best efforts to proceed without interruption to the completion of such repairs. Should Landlord fail to fulfill the foregoing requirements, Tenant shall be entitled to terminate this Lease, such termination to be effective as of the date of such damage.

12.4 Termination Arising from Substantial Damage. Notwithstanding anything to the contrary contained in Sections 12.2 and 12.3 above or elsewhere in this Lease, if fifty percent (50%) or more of the area of the Leased Premises is damaged by fire or other casualty, this Lease shall terminate at the option of either Landlord or Tenant upon written notice to the other party given within thirty (30) days after the date of the occurrence of the event of loss, and the Rent shall be adjusted as of the date of the event of damage or destruction resulting in the termination, and Landlord shall refund to Tenant any Rent prepaid by Tenant beyond the date of the event of loss.

12.5 Conflicts. To the extent that a conflict may exist between the terms and provisions of Section 10 (Maintenance) and Section 12 (Damage and Destruction) of this Lease, the terms of Section 12 shall govern.

Section 13. Condemnation, Loss of Access. If (i) all or part of the Leased Premises shall be expropriated, taken or condemned by a competent authority for a public or quasi-public use or purpose or if there is a negotiated purchase by such authority under threat of expropriation, taking or condemnation (collectively, a "taking"), and if the loss of the part so taken substantially interferes with the use of the Leased Premises by Tenant, or (ii) due to a taking, access to the Leased Premises by motor vehicles as operated by Tenant, its contractors and its customers in the course of Tenant's business as previously conducted, is substantially impaired or terminated, then Landlord and Tenant shall each have the right, exercisable by notice to the other, to terminate this Lease, effective on the date of the taking. If part of the Leased Premises or the access to the same is taken without substantially interfering with the use of the Leased Premises by Tenant, this Lease shall not terminate. In that event, Landlord shall promptly, at its expense, restore any damage to the Leased Premises caused by the taking in a manner reasonably suitable to Tenant, and if the size of the Leased Premises has been diminished, the Rent for the Leased Premises shall be equitably and proportionately reduced commencing on the date when possession of the part taken is surrendered by Tenant. In the event of any taking, Landlord shall be entitled to the entire condemnation award, regardless of whether this Lease is terminated in accordance with this Section 13, except that Tenant shall be entitled to any separate award allocated by the condemning authority for Tenant's trade fixtures, personalty and moving expenses. If this Lease is terminated pursuant to this Section 13, Landlord shall refund to Tenant any Rent prepaid beyond the effective date of termination.

Section 14. Default by Tenant.

14.1 Events of Default. Any of the following events shall be deemed a "Tenant Default" under this Lease: (i) Tenant fails to pay the Rent or any other sums payable by Tenant under this Lease, and the failure continues for a period of ten (10) days after Tenant's receipt of written notice from Landlord, (ii) Tenant fails to perform any other obligation under this Lease and the failure continues for thirty (30) days after Tenant's receipt of written notice from Landlord, or if thirty (30) days is not sufficient time for Tenant to repair, remedy or correct the obligation breached, Tenant shall not be deemed in default if it commenced the cure during such thirty (30) day period and is diligently pursuing its completion, (iii) Tenant becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors or makes any proposal, an assignment or arrangement with its creditors, or any steps are taken or proceedings commenced for the dissolution, winding up or other termination of Tenant's existence or the liquidation of its assets or (iv) a trustee, receiver, receiver/manager, or any entity acting in a similar capacity is appointed with respect to the business or assets of Tenant.

14.2 Remedies. In the event of a Tenant Default, Landlord may (but shall be under no obligation to), at any time, and upon reasonable notice to Tenant, cure a Tenant Default, and may enter upon the Leased Premises for that purpose and take all actions as may be necessary to effectuate the cure. No such entry shall be deemed an eviction of Tenant. Tenant shall pay to Landlord all reasonable sums so paid by Landlord to cure a Tenant Default on demand.

Alternatively, Landlord may terminate this Lease and recover from Tenant the value at the time of termination of the excess, if any, of the amount of Rent reserved in this Lease for the remainder of the Term over the then reasonable rental value of the Leased Premises for the remainder of the Term, both figures being discounted to present value. In the event of a Tenant Default, Landlord shall use its best efforts to mitigate its damages.

Section 15. Default by Landlord.

15.1 Events of Default. Any of the following events shall be deemed a "Landlord Default" under this Lease: (i) Landlord fails to perform any obligation under this Lease and the failure continues for thirty (30) days after Landlord's receipt of written notice from Tenant, or if thirty (30) days is not sufficient time for Landlord to repair, remedy or correct the obligation breached, Landlord shall not be deemed in default if it commenced the cure during such thirty (30) day period and is diligently pursuing its completion, (ii) Landlord becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors or makes any proposal, an assignment or arrangement with its creditors, or any steps are taken or proceedings commenced for the dissolution, winding up or other termination of Landlord's existence or the liquidation of its assets or (iii) a trustee, receiver, receiver/manager, or any entity acting in a similar capacity is appointed with respect to the business or assets of Landlord.

15.2 Remedies. In the event of a Landlord Default, in addition to other remedies permitted at law or in equity, Tenant shall be entitled, at any time before the Landlord Default is cured: (i) to take such action as may be required to have been taken by Landlord under this Lease, in which event Landlord agrees to pay to Tenant on demand all costs and expenses incurred by Tenant in connection therewith, failing which Tenant shall be entitled to offset such sums against the Rent next becoming due under this Lease, (ii) to abate the payment of Rent and other amounts due under this Lease during the continuance of any such default by Landlord, and (iii) to terminate this Lease upon written notice to Landlord if the default causes a substantial interference with Tenant's use and enjoyment of the Leased Premises, in which event Tenant shall have no further obligations hereunder.

Section 16. Assignment and Subletting.

16.1 Assignment and Subletting by Tenant. Tenant shall have the right to sublet all or any portion of the Leased Premises without the prior written consent of Landlord; provided that each such sublease shall be subject and subordinate to this Lease, and Tenant shall remain liable for the performance of all of its covenants and agreements under this Lease. Tenant shall not assign this Lease in whole or in part without the consent of Landlord, which consent shall not be unreasonably withheld and shall be deemed given following the expiration of ten (10) days after Landlord's receipt of a request therefor from Tenant unless sooner disapproved in writing by Landlord. Notwithstanding the foregoing, without the consent of Landlord, Tenant may assign this Lease to (i) any subsidiary or other entity owned at least fifty-one percent (51%), directly or indirectly, by Lennox International Inc., (ii) any entity which is the purchaser of all or substantially all of the assets of Tenant or is the successor to substantially all of the assets and business of Tenant by virtue of a sale of assets, corporate merger or consolidation of, with or into Tenant, or (iii) any entity which is the beneficial owner of at least fifty-one (51%) of the

ownership interest of Tenant. Following a permitted assignment, Tenant shall be relieved of all obligations under this Lease arising after the date of the assignment.

16.2 Assignment by Landlord. Landlord shall have a right to assign this Lease without Tenant's consent. However, Landlord shall remain jointly and severally liable under this Lease to Tenant for the performance of all of Landlord's covenants and obligations.

Section 17. Holding Over. At Tenant's option, and so long as Tenant gives Landlord written notice thirty (30) days prior to the expiration of the Term, Tenant may remain in possession of the Leased Premises for up to sixty (60) days following the expiration of the Term at the same Rent and otherwise upon the terms set forth herein and without any liability for damages therefor. Thereafter, should Tenant or any of its successors in interest continue to hold the Leased Premises, such holding over shall constitute and be construed as a tenancy from month-to-month only, at a monthly rental equal to one hundred twenty-five percent (125%) of the rental rate in effect at the end of the Term.

Section 18. Expiration. Upon the expiration or earlier termination of this Lease, Tenant shall surrender the Leased Premises to Landlord in good condition and repair, except for conditions that are caused by ordinary wear and tear, fire and other casualty, governmental takings and those that are the responsibility of Landlord. Landlord agrees to inspect the Leased Premises immediately following the expiration or earlier termination of this Lease and to notify Tenant in writing if there are any obligations in the Lease that Landlord believes Tenant has not fulfilled. Landlord must provide such notice to Tenant by the earlier of (i) thirty (30) days following the expiration or earlier termination of this Lease, or (ii) one (1) day prior to the date that Landlord begins preparing the Leased Premises for another tenant's occupancy. If Landlord does not provide such written notice to Tenant, Landlord agrees that it waives any rights against Tenant regarding such alleged unfulfilled obligations.

Section 19. Notices. All notices to be given to either party shall be made in writing and delivered personally or by nationally-recognized overnight courier service or deposited in the United States mail, postage prepaid, return receipt requested, and addressed to the parties at the following addresses:

Landlord's Address: _____

Attention: _____

Tenant's Address: Advanced Distributor Products LLC
360 Moose Lodge Road
Grenada, MS 38901
Attention: Warehouse Manager

With copies to: Advanced Distributor Products LLC
1995 Air Industrial Park Road
Grenada, MS 38901

Attention: Vice President and General Manager

and

Lennox International Inc.
2140 Lake Park Boulevard
Richardson, TX 75080
Attention: Real Estate Counsel

Either party may change its notice address by giving notice of the change to the other party. Any notice sent as hereinabove provided shall be deemed given or delivered: (i) upon receipt, if personally delivered (provided that such delivery is confirmed by the courier delivery service), (ii) upon the acceptance date appearing on the receipt, if sent by United States Mail, or (iii) the next business day, if sent by overnight courier.

Section 20. Subordination to Mortgages. Subject to Tenant's receipt of the applicable Nondisturbance Agreement (as hereinafter defined), this Lease shall be subordinate to any mortgage or mortgages placed on the Leased Premises by Landlord from time to time (except that at the election of the mortgagee, this Lease may be deemed superior to such mortgages); provided that, so long as Tenant is not in default hereunder, this Lease shall continue in full force and effect. Notwithstanding anything contained herein to the contrary: (i) prior to the Commencement Date, Landlord shall deliver to Tenant an agreement executed by the holder of any mortgage confirming its agreement not to disturb Tenant's possession of the Leased Premises or to terminate this Lease, except as specifically set forth in this Lease (a "Nondisturbance Agreement"), (ii) Tenant's obligations under this Lease shall be subject to Tenant's receipt of such a Nondisturbance Agreement, and (iii) this Lease shall not be subject to any mortgage affecting the Leased Premises following the date hereof until such time as Landlord has delivered to Tenant a Nondisturbance Agreement executed by the holder of any such mortgage.

Section 21. Force Majeure. Whenever a period of time is herein provided for Landlord or Tenant to do or perform any act or thing, neither Landlord nor Tenant shall be liable or responsible for, and there shall be excluded from the computation of such periods of time, any delays due to strikes; riots; acts of God; shortages of labor or materials; national emergency; acts of public enemy; governmental restrictions, laws or regulations; or any other cause or causes, whether similar or dissimilar to those enumerated, beyond the nonperforming party's reasonable control.

Section 22. Estoppel Certificates. In the event either party should so request in writing, the other party hereto shall deliver to the requesting party within ten (10) business days of the written request, a statement in a mutually acceptable form certifying, if true, that this Lease is unmodified and is in full force and effect (or if there have been modifications, a statement identifying the modifications and stating that this Lease is in full force and effect as so modified) and further stating the dates to which Rent and other charges payable under this Lease have been paid, that the requesting party is not in default of its obligations under this Lease or

otherwise, as the case may be, and such other information as reasonably may be requested by the requesting party.

Section 23. Title and Quiet Enjoyment. Landlord warrants and covenants that it has good and marketable title to the Leased Premises in fee simple and full right and authority to enter into this Lease and to grant to Tenant the leasehold estate and all rights herein granted. Landlord covenants that if Tenant pays the Rent and performs all of its obligations under this Lease, Tenant shall be entitled to peaceful and quiet enjoyment and possession of the Leased Premises throughout the Term without interruption or interference by Landlord or any entity claiming through Landlord.

Section 24. Signs. Any and all signs placed on the Leased Premises by Tenant shall be maintained in compliance with Applicable Laws, and Tenant shall be responsible to Landlord for any damage caused by installation, use or maintenance of its signs. At the expiration or earlier termination of this Lease, Tenant shall remove any of its signs and shall repair any damages caused by such removal.

Section 25. Brokers. Landlord and Tenant each represent and warrant to the other that it has dealt with no broker or agent in connection with this Lease, and each party agrees to indemnify and hold the other party harmless from and against any claims by any broker or agent claiming a commission or other form of compensation by virtue of having dealt with the indemnifying party with regard to this Lease.

Section 26. Right of Entry. Upon not less than twenty-four (24) hours prior notice to Tenant (except in the event of an emergency), Landlord shall have the right to enter the Leased Premises during normal business hours to examine its condition, and to make any repairs Landlord deems necessary for the safety, preservation, or improvement of the Leased Premises or to show the Leased Premises to persons interested in purchasing or leasing the same. Each entry by Landlord in accordance with this Section 26 shall be made in such a manner as will not unreasonably interfere with Tenant's use of the Leased Premises.

Section 27. Landlord's Environmental Matters.

27.1 Compliance with Environmental Laws. Landlord represents and warrants to Tenant that to the best of its knowledge and belief (i) the Property and its existing and prior uses comply and have at all times complied with all Applicable Laws relating to environmental matters including, but not limited to, the Resource Conservation and Recovery Act, the Clean Air Act, the Clean Water Act, the Comprehensive Environmental Response, Compensation and Liability Act or any other requirement relating to or imposing liability or standards of conduct concerning any Hazardous Substances, as hereinafter defined (collectively, "Environmental Laws"), (ii) Landlord and any previous owners and tenants of the Property, are not in violation of and have not violated any Environmental Laws in connection with the ownership, use, maintenance, or operation of the Property, (iii) Landlord and any previous owners and tenants of the Property, have not accrued and are not accruing any liabilities pursuant to any Environmental Laws, (iv) the Property is not currently subject to investigation for alleged violations of any Environmental Laws, and (v) Landlord has all permits for the use, operation, and maintenance of

the Property as required by any applicable Environmental Law, except for permits Tenant will obtain for any new use or operation of the Leased Premises.

27.2 Hazardous Substances. Landlord, to the best of its knowledge and belief, hereby warrants and represents that there are no Hazardous Substances (as hereinafter defined) located within the Property or in, on, under or around the Property. As used herein, "Hazardous Substances" means any substance that has toxic, corrosive, flammable or reactive properties and/or that is regulated by any Environmental Law. Hazardous Substances include, but are not limited to, asbestos; polychlorinated biphenyls (PCBs); flammable explosives; radioactive materials; chemical carcinogens; effluents; emissions; petroleum product, byproduct, or fraction thereof; natural or synthetic gas products; hazardous substance or material; hazardous waste; dangerous waste, substance, or material; pollutant; or contaminant.

27.3 Disposal Sites, Tanks and Wells. Landlord, further represents and warrants, that to the best of its knowledge and belief: (i) the Property has not been used at any time by any person as a landfill or waste disposal site, (ii) there are no monitoring wells or underground storage tanks on the Property, and (iii) monitoring wells, underground storage tanks and above ground storage tanks previously installed, used or operated by Landlord, previous owners or tenants of the Property have been decommissioned in accordance with Environmental Laws.

27.4 Indemnification. Landlord hereby agrees to indemnify and hold Tenant, its directors, officers, employees, affiliated companies and any subtenants or assignees harmless from and against any and all claims, demands, actions, losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and court costs), asserted against or incurred by Tenant that arise out of any (i) Hazardous Substances existing in, on, under or around the Property and not placed there by Tenant, (ii) any violation of Environmental Laws except for violations by Tenant, and (iii) any breach of a warranty by Landlord set forth in this Section 27.

27.6 Tenant's Access. If any remediation, cleanup, repair, or similar action is required by any governmental or quasi-governmental agency as a result of the storage, release, or disposal of Hazardous Substances by any party other than Tenant, and such action requires that Tenant be closed for business or that access be denied for greater than a twenty-four (24) hour period, then the Rent will be abated entirely during the period beyond twenty-four (24) hours, and Landlord shall refund to Tenant any Rent that was prepaid by Tenant and that is applicable to such period. If the closure or denial of access persists in excess of thirty (30) days, then, at Tenant's election by written notice to Landlord given within ten (10) days after the end of the thirty (30) day period, this Lease will terminate as of the effective date stated in Tenant's notice.

Section 28. Tenant's Environmental Matters.

28.1 Hazardous Substances. Tenant hereby warrants and represents that Tenant will not knowingly store, use or discard Hazardous Substances in the Leased Premises other than cleaning supplies or other materials customarily used or sold by Tenant in the course of its operations which may constitute Hazardous Substances, but which will at all times be stored, used and discarded in compliance with Environmental Laws.

28.2 Indemnification. Tenant hereby agrees to indemnify and hold Landlord harmless from and against any and all claims, demands, actions, losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and court costs) asserted against or incurred by Landlord by reason of or arising out of any Hazardous Substances existing in, on, under or around the Leased Premises as a result of negligent acts of Tenant.

Section 29. Waiver of Liens. Notwithstanding any provision contained herein to the contrary, Landlord shall not have and hereby waives any statutory, constitutional or other liens, security interests or claims against the assets or property of Tenant, and Tenant may remove such items from the Leased Premises at any time. Landlord agrees to execute and deliver such documents as Tenant or its lenders may request to confirm such waiver within ten (10) days of Landlord's receipt of a request from Tenant.

Section 30. Nonwaiver. Except as otherwise expressly provided in this Lease, the failure of either party to respond immediately to the nonperformance by the other party of any obligation of such other party under this Lease shall not constitute a waiver of any right or ~~remedy by the party to whom performance was due.~~ With respect to a ~~waiver of any right or~~ remedy by either party to this Lease, one or more waivers of any covenant, term or condition of this Lease shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by either party to any act by the other party requiring such consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

Section 31. Partial Invalidity. If any provision of this Lease or its application to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of that provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected, and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 32. Headings; Language. The headings employed in this Lease are for convenience only and are not intended to in any way limit or amplify the terms and provisions of this Lease. Whenever the singular number is used, the same shall include the plural. This Lease shall not be construed against either party by reason of authority or origin of language.

Section 33. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the state where the Leased Premises are located.

Section 34. Entire Agreement. This Lease contains the entire agreement between the parties and cannot be amended unless the amendment is in writing and executed by both parties. Both parties have fully considered the language, terms and provisions of this Lease and both parties have had an opportunity to consult with legal counsel regarding the language, terms and provisions of this Lease. Thus, both parties expressly agree that ambiguities, if any, shall not be construed against the drafter, but shall be resolved in a fair manner without unequal prejudice to either of the parties.

Section 35. Counterparts. This Lease may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same document.

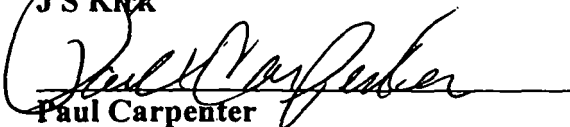
Section 36. Grammatical Changes. The grammatical changes required to make the provisions of this Lease apply to corporations, firms, partnerships, other entities or individuals, male or female will be assumed as though in each case fully expressed.

Section 37. Successors and Assigns. This Lease and everything herein contained shall benefit and bind the successors and assigns of Landlord and the permitted successors and assigns of Tenant.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

LANDLORD:


J S Kirk


Paul Carpenter

TENANT:

Advanced Distributor Products LLC

By: 

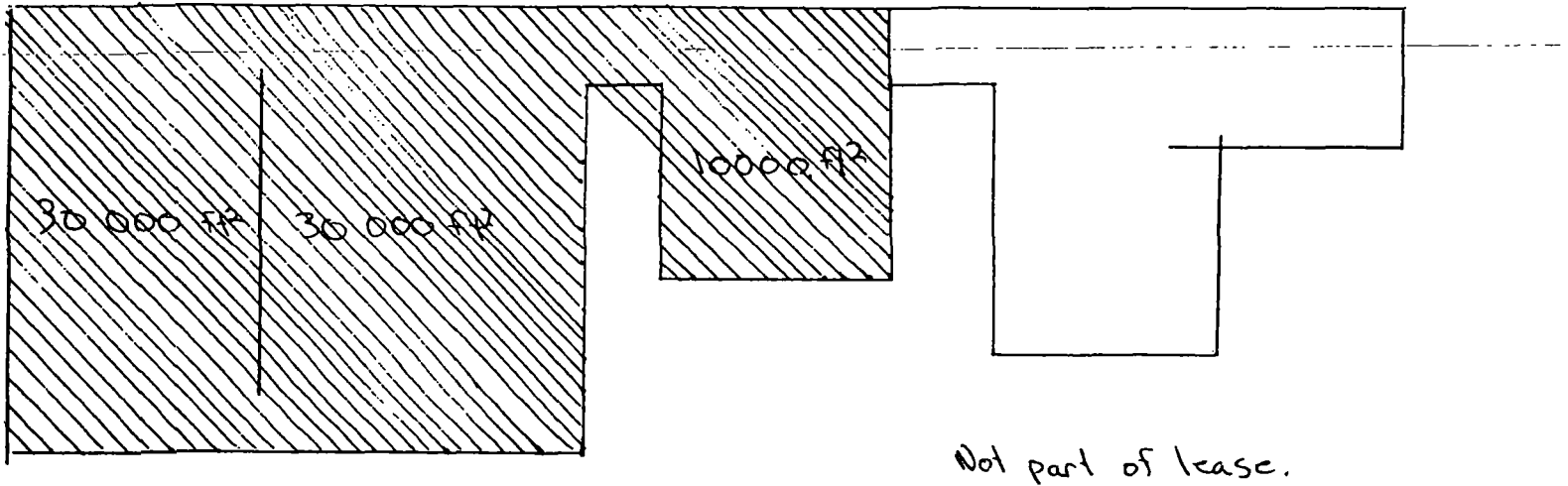
Name: Robert P. Mooby

Title: VP/GM

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EXHIBIT A

Drawing of Building
(Note: Leased Premises are cross-hatched)



Drawings not to scale.
Drawing for reference only.


 leased area

EXHIBIT B

Landlord's Work

- 1) Repair roof & repair gutters;
 - 2) Ensure that electrical service to the Building complies with all Applicable Laws;
 - 3) Make sure dock doors are clean, clear and serviceable;
 - 4) Remove all hanging lines and rods from ceiling and ensure that all corresponding utilities and services are terminated in accordance with such removal per Applicable Laws;
 - 5) Remove all above-ground storage tanks from the Building on far west and remove all other related equipment in the Building; and
 - 6) Remove doors that join west portion of the Building to middle portion of the Building.
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